



**United States
Department of
Agriculture**

Food and
Nutrition
Service

APR 14 2010

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Alexandria, VA
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TO: Regional SNAP Program Directors
Regional Financial Management Directors
All Regions

SUBJECT: The Department of Defense Appropriations Bill Clarification to Administrative
Funding Question

Attached is the second set of question and answers in response to issues raised by the States through various discussions, concerning Supplemental Nutrition Assistance Program (SNAP) funding through the Department of Defense (DoD) Appropriations Act of 2010 (P.L. 111-118). Please direct any additional questions to the appropriate contact in the Program Accountability and Administration Division or Financial Management.

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Director

Program Accountability and Administration Division

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Supplemental Nutrition Assistance Program (SNAP)
The Department of Defense (DoD) Appropriations Bill, 2010

Administrative Funds
Questions and Answers #2

Question 1 Can you provide more specific information on the process and timeframes for obligation and reallocation of the DoD funds?

Answer Any unobligated funds at the end of FY 2010 (September 30, 2010) will be returned to the Food and Nutrition Service (FNS). At the States' request, FNS will return previously allocated funds that were not obligated in FY 2010 to the State for obligation in FY 2011, around mid-November 2010.

Following the closeout process of FY 2010 obligations, which generally occurs around Feb/March 2011, any resulting unobligated funds will be returned to FNS. At the States' request these unobligated funds will be returned to the State for obligation in FY 2011 sometime around April 2011.

FNS will reallocate any unobligated funding that States have not requested FNS return to them.

Question 2 How far back can the State spend the funds? For example, if a State has staff costs from January 2010; can they use the DoD money for that?

Answer No. State agencies may only use DoD administrative funds for costs incurred on or after February 12, 2010.

Question 3 Does the cost allocation methodology need to be applied to the DoD money if the use of the money will be for multiple Federal Programs?

Answer Yes, the same cost allocation rules apply to the DoD funds.

Question 4 Can the DoD money be used to replace the State's share of administrative funding?

Answer No. There is no authority in the law which authorizes FNS to accept the Federal DoD funds as acceptable State match for the 50 percent Federal SNAP administrative funds, or for E&T 50 percent administrative funds, dependent care and transportation.

Questions and Answers #2

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Question 5 Since States have been instructed to enter expenditures for the SNAP DoD funds in Column 29 of the SF-269, do they need to include the DoD funds on their FNS-366A?

Answer No. FNS-366 reporting of the DoD funds is not necessary.

Question 6 Must States follow Advanced Planning Documentation (APD) procedures for DoD funds used for technology typically subject to such rules?

Answer Yes, APD rules apply to the DoD funds.

Question 7 Please clarify the timing of using DoD funds to pay for staff. For instance, if a State hires additional SNAP workers with DoD funds and they begin their employment on July 1, 2010, can States use these 100 percent DoD dollars to pay their wages through September 30, 2011; OR must they terminate these workers on September 30, 2010?

Answer Once the 100 percent DoD funds are depleted, the State could continue to fund the positions using the regular SNAP 50-50 administrative dollars. Salaries could only be paid for from the same year that funds were made available. So FY 2010 salaries would be paid from dollars made available from now to September 30, 2010. FY 2011 salaries would need to be paid for from money returned to the State in November, or later through possible reallocation.